



Division of Motor Vehicles

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Mike Robertson, Commissioner
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Governor's Budget Items

Agency Administration

- License Plate Agency compensation reduction (\$3,701,000)
- Driver license vendor payments reduction (\$523,000)
- License and Theft split funding expansion \$800,319





Governor's Budget Items

Internal Eliminations

- (\$2,146,000; 39 positions)
- Continued elimination of vehicle inspection auditor positions





Governor's Budget Items

Lease Agreements

- \$49,445 and \$75,743 recurring
- Increase in lease payments





Governor's Budget Items

Commercial Driver License Examiners

- \$229,530 recurring, \$8500 non-recurring; 5 positions
- Sites in Lumberton and Iredell County
- Five additional DL examiners to focus on CDL tests

Security Personnel

- \$105,000 recurring
- Contract for security at the Charlotte registration and IRP office
- Collects average of \$35,000-\$40,000 each day in cash and checks





Increasing Receipt Support of DMV Activities

- Vehicle inspection program and special plates only fully receipt-supported activity
- Other activities funded by appropriation from the Highway Fund
- Fee increases directly funding DMV programs frees Highway Fund dollars for road projects





Fee Support of License and Theft

- Savings from state-owned vehicle inspection database - \$5.4M
- Savings from eliminated auditor positions - \$2M
- Could fund much of DMV's law enforcement operations
- Highway fund dollars currently funding License and Theft would be freed for road projects





Fee support of driver license training activities

- Private truck driver training school license – from \$80 for two years to \$300 annually; generates \$3900
- Private truck driver instructor license – from \$16 for two years to \$100 annually; generates \$2600
- Third-party CDL examiner school – from no cost to \$200/student; generates \$6000
- Third-party CDL tester certification – from no cost to \$300 annually; generates \$37,500





Fee support of driver license training activities

- Driver education instructor school student fee – from \$250 to \$400; generates \$40,000
- Driver training school license – from \$80 for two years to \$300 annually; generates \$21,300
- Driver training instructors – from \$16 for two years to \$100 annually; generates \$80,800





Fee support through increased traffic records fees

Individual Records:

- Either \$8 or \$11 for driver license records
- \$10 for certified vehicle records
- \$5 for crash reports





Fee support through increased traffic records fees

COMPANY NAME	JAN	
	RECORDS	AMOUNT
CHOICEPOINT	6,646,203	660.88
CROSS-SELL	133,642	1.42
EXPLORE	6,646,203	660.88
LEXIS NEXIS	86,104	28.87
NCADA	133,642	1.42
NSSC	86,104	28.87
RL POLK (Stolen Veh)	89,283	46.05
RECALL CENTER	86,104	28.87
TOTALS	13,907,285	1457.26





Fee support through increased traffic records fees

CY 2010 Bulk Data Requests

	TOTAL NUMBER OF RECORDS	TOTAL AMOUNT BILLED	\$0.05 proposed per record cost	Amount under proposal
JAN	13,907,285	1,457.26	\$ 0.05	\$ 695,364.25
FEB	14,032,102	1,444.66	\$ 0.05	\$ 701,605.10
MAR	14,158,503	1,518.69	\$ 0.05	\$ 707,925.15
APR	14,047,728	1,429.19	\$ 0.05	\$ 702,368.40
MAY	14,018,336	1,397.34	\$ 0.05	\$ 700,916.80
JUN	14,088,686	1,633.10	\$ 0.05	\$ 704,434.30
JUL	14,085,238	1,699.24	\$ 0.05	\$ 704,261.90
AUG	14,079,181	1,183.14	\$ 0.05	\$ 703,959.05
SEP	14,075,538	1,260.03	\$ 0.05	\$ 703,776.90
OCT	14,001,740	1,153.67	\$ 0.05	\$ 700,087.00
NOV	13,950,565	1,212.21	\$ 0.05	\$ 697,528.25
DEC	13,881,620	1,279.58	\$ 0.05	\$ 694,081.00
Total	168,326,522	16,668.11		\$ 8,416,326.10





Fee support of Hearings

- No charge for DMV hearings
- FY 2010 cost of Hearings program – \$4.5 million
- 118,724 total hearings conducted in FY 2010
- Fees between \$25 and \$100 would generate \$3,664,000





Privatization of Vehicle Registration Operations – Bladen County Call Center

Current cost:

- Personnel \$3,403,544
- Building lease \$227,419

Requirements:

- Unrestricted access to all DMV systems Administrative Office of the Court system, and Commercial Driver License Information System would be required
- Access would be required to privately-owned, third party databases
- Extensive and on-going training needed





Privatization of Vehicle Registration Operations – Electronic Check Processing and Records Certification

Current cost:

- Personnel \$446,284
- Supplies \$1,408

Requirements:

- Access to vehicle registration database, NCDOT's accounting and fiscal system would be required, and driver license systems would be required
- Availability to service walk-in customers required





Privatization of Vehicle Registration Operations – License Plate Distribution, Special Plate and For Hire Plate Service

Plate Distribution

- Current cost:
 - Personnel \$638,355
 - Vehicle maintenance \$3,640
- Requirements:
 - Access to and interface with registration database
 - Maintain warehouse space, stocking, delivery and mailing supplies
 - Maintaining supplies and inventory for all LPAs and DMV offices
 - LPAs can provide special plates, for hire plates
 - LPAs need additional storage space for inventory
 - Additional transaction fees to LPAs





Privatization of Vehicle Registration Operations – Title Examining in Raleigh/Charlotte and Document Preparation and Scanning

- Current cost:
 - Personnel \$2,008,085
- Requirements:
 - Currently LPAs perform these services
 - Additional LPAs would be required
 - Extensive and on-going training required
 - All LPAs would require programming and high speed scanners





Privatization of Traffic Records Operations – Crash Report Data Capture and Crash Report Sales

Current cost:

- Personnel \$969,973

Requirements:

- With training on Crash Reporting System, driver license system and vehicle registration system
- Availability to service walk-in customers
- Unlimited access to Crash Reporting System





Privatization of Driver Education Instructor Training

- DMV tests, certifies, and monitors driving instructions for commercial driving schools
- Cost of each school - \$11,005.88
- If privatized, DMV would lose fees paid by the prospective instructor





Concerns with Privatization of Driver License Field Operations

- Driver license is accepted form of identification by governments, airlines, banks
- Population is much more transient today
- DMV verifies citizenship or legal status and residency
- Maintenance of private information





Advertising/Sponsorships in DMV Offices

- Currently no advertising in DMV offices
- Motor Vehicle Network screens in driver license offices and registration offices do not generate any revenue or cost the division
- Current MVN contract does not allow DMV to sell ads
- In 2001 DMV considered advertising on vehicle registration renewal notices; 2001 revenue estimates were \$258,000 annually
- Conflict of interest concerns stopped the project; those concerns would still need to be addressed
- Many logical advertisers on DMV mailings or in offices would be regulated by the division





LPA Overview

- Operate under contract with DMV
- Reimbursements are set by statute \$1.43 for registrations; \$1.27 for HUT collection; \$1 for titles
- DMV evaluates applications to run an agency when vacancies occur
- Allowed to charge \$5 to \$7 for notary signatures
- FY 2010 total compensation - \$13M





Options for Strengthening LPA Function

- Two types of contracts – “perpetual” and 3-year
- DMV is pursuing moving all contracts to 3-year expirations
- Exploring possibility of competitively bidding contracts

